

WINDELS MARX LANE & MITTENDORF, LLP

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Appearing *Pro Se* as a General Unsecured
Creditor in the Source Entertainment, Inc.
and Source Magazine, LLC Chapter 11 Cases

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11 Case
: No. 06-11707 (AJG)
:
SOURCE ENTERPRISES, INC., et al., : **JOINTLY ADMINISTERED**
:
Debtors. :
:
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**DESIGNATION OF CONTENTS FOR INCLUSION IN
RECORD ON APPEAL AND STATEMENT OF ISSUES ON APPEAL**

Windels Marx Lane & Mittendorf, LLP (“Appellants”), appearing *pro se*, in furtherance of Appellant’s appeal from the Order of the Honorable Arthur J. Gonzalez, United States Bankruptcy Judge, confirming the Debtors’ Fourth Amended Plan of Reorganization (the “Plan”), dated August 22, 2007, under Bankruptcy Code Section 1129 and Bankruptcy Rule 3020, docketed October 1, 2007, (the “Order”), and pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure designates the following record and issues on appeal:

I. STATEMENT OF ISSUES ON APPEAL AND STANDARD OF REVIEW

(A) The standard of review for findings of fact is the “clearly erroneous” standard, as set forth in Fed. R. Bank. P. 8013.

(B) Issues of law are reviewed de novo. The issues presented on appeal are as follows:

- i) Whether a limited liability company or corporation, formed under the laws of a State within the United States of America, duly registered with the appropriate agency of the State in which they were incorporated and in current good standing, that has not (i) had an involuntary case commenced against it pursuant to Section 303, or (ii) filed a voluntary petition pursuant to 11 U.S.C. Section 301, qualifies as a “debtor” under 11 U.S.C. Section 101(13).
- ii) Whether a limited liability company or corporation, whose by-laws require the consent of each board member prior to any action being taken without a meeting, can file a voluntary petition for relief under 11 U.S.C. Section 301 when (i) no meeting was held in which the filing of a voluntary chapter 11 petition was either contemplated or decided upon, and (ii) several board members did not receive notice that the company was filing a chapter 11 petition.
- iii) Whether the Plan violates Section 1122(a) of the Bankruptcy Code by placing creditors with substantially dissimilar claims in the same class.
- iv) Whether the Plan violates Section 1123(a)(4) of the Bankruptcy Code by providing dissimilar treatment to creditors in the same class.
- v) Whether the modification of the Plan to include the agreement by and among the Reorganized Debtors, Black Enterprise Greenwich Street Corporate Growth Partners, L.P., L. Londell McMillan, P.C. and NorthStar Marketing Group, Inc., to sell Reorganized Source Common Stock upon confirmation of the Plan violates Sections 1127(a), (c), (d), (f)(1) and (f)(2) of the Bankruptcy Code.
- vi) Whether confirmation of the Plan violates Bankruptcy Rule 3019 which requires the court to hold a hearing on notice upon the filing of a modification of a plan after the plan has been accepted and before its confirmation, to determine whether the proposed modification adversely changes the treatment of the claim of any creditor or the interest of any equity security holder who has not accepted the modification in writing.

II. DESIGNATION OF RECORD ON APPEAL

1. Disclosure Statement with Respect to the Fourth Amended Plan of Reorganization of the Source Debtors including Exhibits “A” through “O”, Case No. 06-11707, Document No. 360, entered August 22, 2007.

2. Chapter 11 Plan Fourth Amended Plan of Reorganization of the Source Debtors, Case No. 06-11707, Document No. 36, entered August 22, 2007.

3. Amended Disclosure Statement Notice of Filing of Disclosure Statement with Respect to the Fourth Amended Plan of Reorganization of the Source Debtors including Exhibit 1 – “Redline” Disclosure Statement and Exhibit 2 - “Redline” Plan, Case No. 06-11707, Document No. 362, entered on August 22, 2007.

4. Order signed by Hon. Arthur J. Gonzalez on August 23, 2007 (i) approving Debtor’s Joint Disclosure Statement, (ii) scheduling hearing on confirmation of Debtors’ Joint Plan of Reorganization and Approving Notice Procedures, (iii) establishing procedures for solicitation and tabulation of ballots, and (iv) fixing voting and disbursement record date, Case No. 06-11707, Document No. 363, entered on August 23, 2007.

5. Notice of Withdrawal of Objections of L. Londell McMillan P.C. and Agreement to Sell Reorganized Source Common Stock with Exhibit “A”, Case No. 06-11707, Document No. 371, entered September 20, 2007.

6. Opposition filed by Robert M. Marshall on behalf of David Mays, Case No. 06-11707, Document No. 373, entered September 24, 2007.

7. Objection by Windels Marx Lane & Mittendorf, LLP with respect to the proposed Fourth Amended Plan of Reorganization of the Source Debtors with Exhibits “A”, “B”, “C” and “D”, Case No. 06-11707, Document No. 376, entered September 24, 2007.

7. Objection by Windels Marx Lane & Mittendorf, LLP with respect to the proposed Fourth Amended Plan of Reorganization of the Source Debtors with Exhibits “A”, “B”, “C” and “D”, Case No. 06-11707, Document No. 376, entered September 24, 2007.

8. Order signed on October 1, 2007 by Hon. Arthur J. Gonzalez confirming the Debtors’ Fourth Amended Plan of Reorganization, dated August 22, 2007, Case No. 06-11707, Document No. 390, entered October 1, 2007.

9. Transcript of Proceedings – Hearing Re: Confirmation of Chapter 11 Plan Before the Honorable Arthur J. Gonzalez, M.J.B.C, September 27-28, 2007, United States Bankruptcy Court for the Southern District of New York.

Dated: New York, New York
October 22, 2007

WINDELS, MARX, LANE & MITTENDORF

By: /s/ Charles E. Simpson
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